

## TRENDS IN NET OVERSEAS MIGRATION: TASMANIA

### INTRODUCTION

Population change in each state and territory is the combined result of net overseas migration, natural increase (births minus deaths), and net interstate migration (population change through the movement of people from one state or territory to another). All three components of population change contribute, in varying degrees, to the growth, size and structure of the population in each jurisdiction.

Net overseas migration (NOM) has emerged as a highly topical, and somewhat contentious, issue in recent years, particularly within the context of the Sustainable Population Strategy for Australia and the recent impact of international students on population counts. Variations in the number and characteristics of people arriving and departing the country impact on policy decisions and future planning at all levels of government, and on issues such as skilled and unskilled labour supply; national income from the educational services provided to international students; housing availability; cultural diversity; and social cohesion.

This article presents a brief national view of overseas migration, followed by an analysis for Tasmania. It uses the most recent data to examine changing patterns in the characteristics of overseas migrants and their contribution to NOM in Tasmania.

#### Net Overseas Migration (NOM): Definition

Net overseas migration is the net gain or loss of population through immigration to Australia and emigration from Australia. It is based on an international traveller's duration of stay being in or out of Australia for 12 months or more. It is the difference between the number of incoming international travellers who stay in Australia for 12 months or more, who **are not** currently counted within the population, and are then added to the population (NOM arrivals); and the number of outgoing international travellers (Australian residents and long-term visitors to Australia) who leave Australia for 12 months or more, who **are** currently counted within the population, and are then subtracted from the population (NOM departures).

Under the current method for estimating final net overseas migration, this term is based on a traveller's **actual** duration of stay or absence using the '12/16 month rule'. Preliminary NOM estimates are modelled on patterns of traveller behaviours observed in final NOM estimates for the same period one year earlier. For further information, see [Migration Australia](#) (cat. no. 3412.0).

The status of quarterly NOM data changes over time from **preliminary** to **final** as new data become available. An individual's actual true travel behaviour and associated characteristics are only available from final NOM data, as these can only be accurately recorded at the end of the 16 month reference period following a traveller's initial border crossing. For further information, see [Australian Demographic Statistics](#) (cat. no. 3101.0).

In this article, the data relating to the 2009 calendar year are final data, whereas those relating to the 2010 calendar year are preliminary. All NOM data used in this article are based on the '12/16 month rule' methodology and are sourced from the ABS Travellers' Characteristics Database.

### The National View

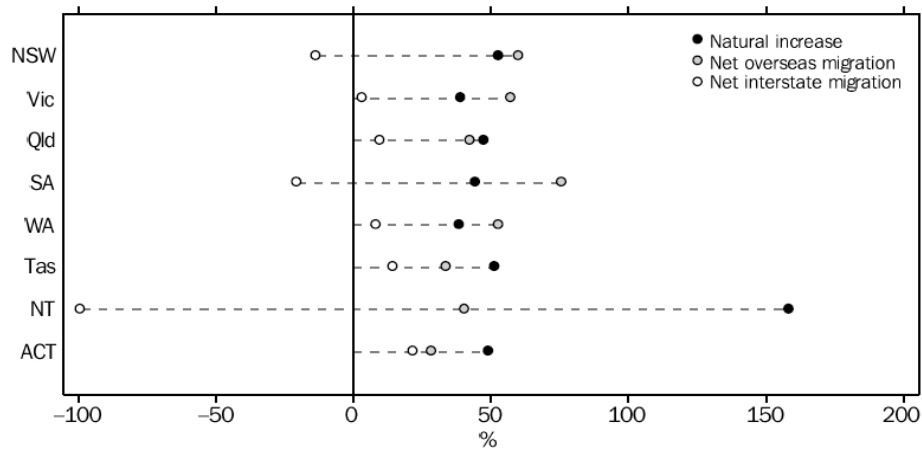
While natural increase has remained relatively stable in recent years, NOM has been far more volatile. The past decade has seen significant fluctuation in immigration estimates due to a number of factors including recent increases in temporary migrants; changing levels of demand for skilled migrants; the relative health of Australia's economy during the global financial crisis; and improvements in methodology to measure the travel behaviour of temporary migrants more effectively.

In recent years, NOM has accounted for over half of the nation's population growth. Preliminary NOM estimates for 2010 added 171,100 persons to Australia's population, representing 54% of the nation's total population growth for the year, with natural increase accounting for the remaining 46%. In 2010, Australia's total population grew by 317,100 persons or 1.4%.

In 2010, NOM contributed the greatest number of people to the most populous states: NSW with a net of 51,100 persons, followed by Victoria (48,000) and Queensland (31,600). The NT received the smallest number with 690 persons.

While all states and territories experienced positive NOM in 2010, it was the main component of population growth in SA (76%), NSW (60%), Victoria (57%), and WA (53%).

**Fig 1. Population components, Proportion of total growth(a), 2010 (b)(c)**



(a) Each population component as a proportion of a state's or territory's population growth for the calendar year 2010.

(b) These estimates use the '12/16 month rule' methodology for calculating NOM.

(c) Estimates for 2010 are preliminary.

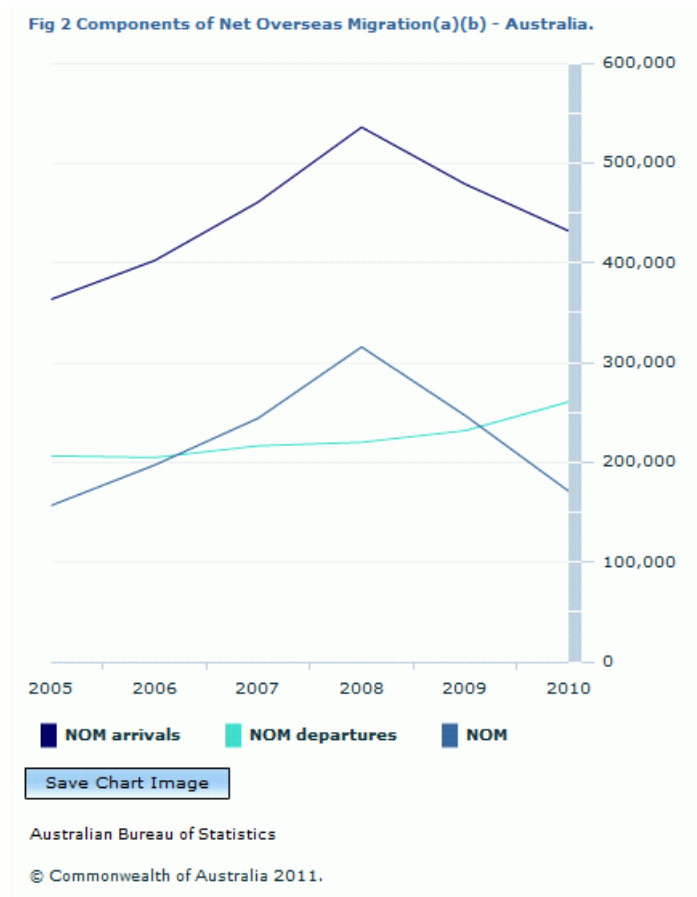
Source: Australian Demographic Statistics (cat. no. 3101.0).

### **Arrivals and Departures**

At the national level, NOM is traditionally positive, with more arrivals than departures contributing to a net increase in Australia's population each year. Over the five years from 2005 to 2010, NOM in Australia increased by 9% (14,300 persons), with arrivals increasing by 19% (68,500 persons) and departures increasing by 26% (54,200 persons).

In 2010, however, NOM declined for the second consecutive year after strong growth for the previous three, with arrivals to Australia dropping by 10% (-46,800 persons) from the previous year and departures increasing by 12% (29,000 persons). The result was an overall decline in NOM of 31%, or 75,800 persons, from the previous year, significantly slowing the five year growth rate.

This decline in net overseas migration to Australia is mainly driven by the temporary visa holders who arrived in earlier years and who are now starting to depart the country in larger numbers. While temporary visa holders, and in particular international students, have been a key driver in the growth of NOM in the three years to 2008, their departures are a major impact on the recent sharp decline in NOM. This reflects recent policy changes restricting eligibility for temporary visa entrants who apply for permanent residency whilst onshore (Australian Productivity Commission 2010, Ch 4, p.21).



**Footnote(s):** (a)These estimates use the '12-16 month rule' methodology for calculating NOM (b)Estimates for 2010 are preliminary

**Source(s):** Australian Demographic Statistics (cat. no. 3101.0); ABS Traveller Characteristics Database, data available on request

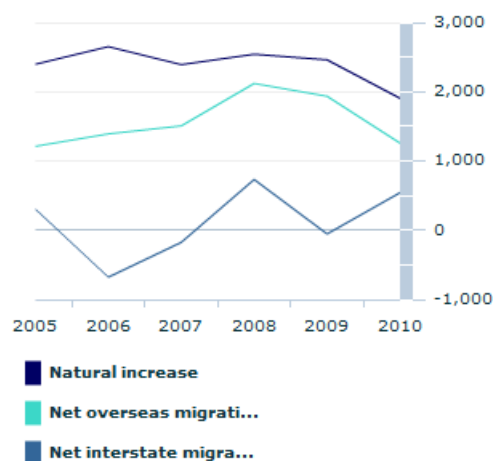
## TASMANIA

### Overseas Migration and Population Growth

While Tasmania gained population through NOM in 2010, it was not the main component of population growth in this state. Preliminary NOM estimates for 2010 added 1,300 persons to Tasmania's population, representing 1% of national NOM and 34% of the state's total population growth (3,700 persons) for the year.

The main component of population growth in Tasmania in 2010 was natural increase, which added more than 1,900 persons to the state population, while net interstate migration contributed 540 persons.

**Fig 3 Population Components(a)(b), Tasmania, 2005-2010**



[Save Chart Image](#)

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**Footnote(s):** (a) These estimates use the '12/16 month rule' methodology for calculating NOM. (b) Estimates for 2010 are preliminary.

**Source(s):** Australian Demographic Statistics (cat. no. 3101.0); ABS Traveller Characteristics Database, data available on request

## Arrivals and Departures

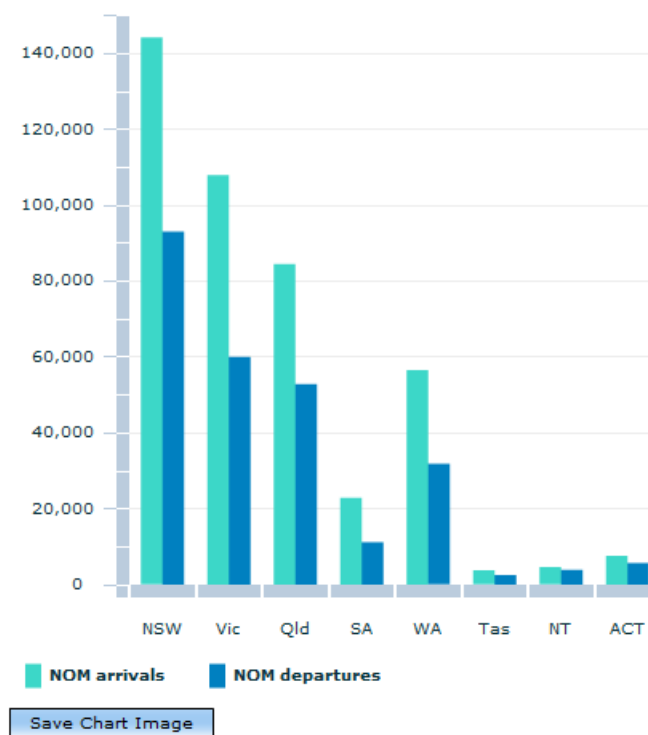
Over the five years from 2005 to 2010, Tasmania recorded the third lowest growth rate in NOM after NSW and the NT, with an increase of only 3% (40 persons), compared with 9% at the national level. During this period, arrivals to Tasmania increased by 16% (510 persons) while departures increased by 23% (470 persons).

In 2010, there were 350 fewer (-9%) overseas arrivals in Tasmania than in the previous year. However, overseas departures continued to increase with 330 more (15%) departures than in the previous year. The result was an overall decline in NOM of 35% (-680) from 2009, compared with the national decline of 31%.

## Overseas Migration Flows

In 2010, Tasmania recorded the smallest number of arrivals (3,700) and departures (2,500) of all the states and territories. Thus, the combined flows of overseas migration (arrivals and departures) was 6,200.

**Fig 4 Overseas Migration Flows, State & Territories - 2010 (a)**



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**Footnote(s):** (a) Estimates for 2010 are preliminary.

**Source(s):** Australian Demographic Statistics (cat. no. 3101.0)

To assess the effect of these gross overseas migration flows, it is useful to consider them as a proportion of the total population. In Tasmania, overseas migration had a relatively small effect on population turnover, accounting for only 1.2% of the total population in 2010, compared with 3.1% for Australia. Of the jurisdictions, Tasmania had the lowest population turnover from overseas migration.

**Fig 5 Population Turnover(a) from Overseas Migration, States & Territories, 2010(b)(c)**



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**Footnote(s):** (a) Gross overseas flows as a proportion of a state or territory's total population at 31 December 2010. (b) These estimates use the "12/16 month rule" methodology for calculating NOM. (c) Estimates for 2010 are preliminary.

**Source(s):** Australian Demographic Statistics (cat. no. 3101.0).

## The Travellers' Characteristics Database

With the introduction of the '12/16 month rule' methodology for estimating NOM, the ABS also developed an analytical data set called the Travellers' Characteristics Database. These improvements allow the derivation of an individual's actual true travel behaviour (using final NOM data) and record certain characteristics of travellers who have contributed to NOM whether they are NOM arrivals or departures. The database provides for additional analysis on final NOM data that was not previously available.

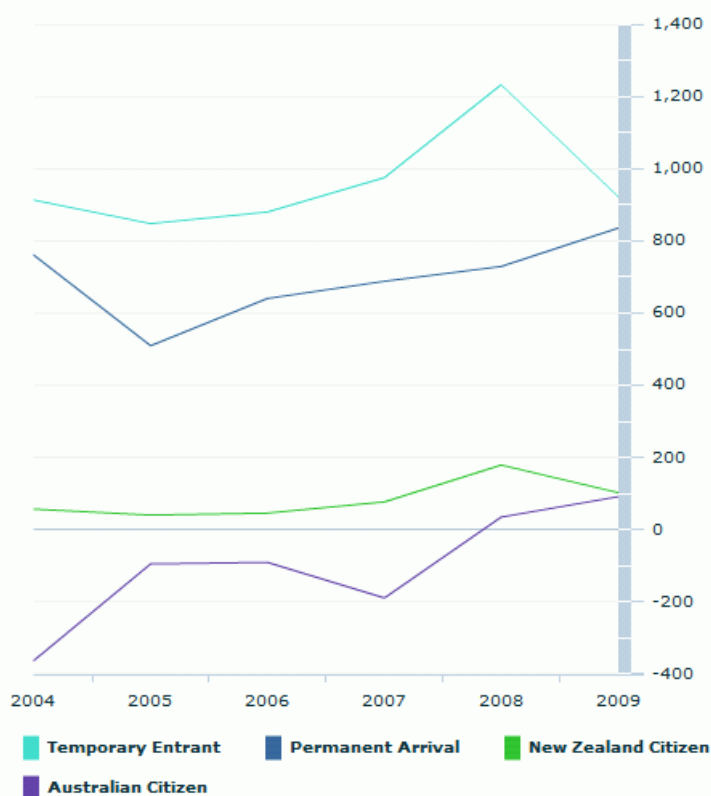
The following analysis of NOM by major groupings and visa types has used data extracted from the Travellers' Characteristics Database. All data from the database are based on the '12/16 month rule' methodology.

Factors that should be taken into account when analysing data from the Travellers' Characteristics Database include the impact of global and regional events, legislative changes in Australia and abroad, and economic activity, all of which can change traveller behaviour.

### Major Traveller Groups

In recent years, four major traveller groups have impacted on NOM estimates for Tasmania: temporary visa holders; permanent visa holders; New Zealand citizens; and Australian citizens. Other traveller groups, having a smaller impact, include residents returning (i.e. non-Australian citizens who are permanent residents) and people travelling with onshore visas or with visa unknown.

Fig 6 Net Overseas Migration(a), Major Groupings(b), Tasmania, 2004-2009



Select a different graph

Fig 6.1 NOM(a), Major groupings(b), Tasmania

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**Footnote(s):** (a)These estimates use the '12/16 month rule' methodology for calculating NOM. (b)Does not include onshore and other visa types. The visa category information in this table represents the visa at the time of a traveller's specific movement. It is the specific movement that has been used to calculate NOM.

**Source(s):** ABS Traveller Characteristics Database, data available on request.

Over the five years from 2004 to 2009, the net number of temporary visa holders contributing to NOM in Tasmania

increased by just 1%, from 910 to 920 persons. This was significantly lower than growth at the national level (62%) and in each of the other jurisdictions. In 2009, the net figure for Tasmania decreased 25% (-310 persons) from the previous year, significantly slowing the five year growth rate in this jurisdiction.

In comparison, the net number of permanent visa holders contributing to NOM in Tasmania increased by 10% over the five year period, from 760 to 840 persons. This net increase in permanent visa holders was lower than for Australia (23%) and across each of the other states and territories, except NSW (4%).

For the same period, the net number of New Zealand citizens increased by 79% (50 persons) in Tasmania. This was much higher than growth at the national level (14%) and in most of the other jurisdictions, except WA (85%) and the NT (81%).

Traditionally, Australian citizens have a net negative effect on NOM estimates as more Australians depart each year than return. However, the combined effect of an increase in arrivals and a decrease in departures saw the contribution of Australian citizens to the Tasmanian population change, from a net loss of 360 persons in 2004, to a net gain of 90 persons in 2009.

## Major Groupings and Visa Type

The following section provides a further breakdown of the major groupings and visa types that contributed to NOM in Tasmania during 2009, the most recent year for which the data are available.

### MAJOR GROUPINGS AND VISA TYPE (a), % of Total NOM, States & Territories, 2009

	NSW	Vic	Qld	SA	WA	Tas	NT	ACT	Australia
<b>Temporary visas</b>	<b>63.7</b>	<b>63.7</b>	<b>56.9</b>	<b>50.9</b>	<b>53.4</b>	<b>47.6</b>	<b>55.5</b>	<b>67.6</b>	<b>60.0</b>
VET sector	15.5	23.4	15.0	14.4	10.2	5.1	5.7	9.0	16.7
Higher education sector	18.7	19.5	12.0	19.8	10.3	21.3	8.5	27.6	16.7
Student other	11.0	7.7	7.7	5.3	4.8	4.7	3.6	7.1	8.0
<b>Total students</b>	<b>45.2</b>	<b>50.7</b>	<b>34.7</b>	<b>39.4</b>	<b>25.2</b>	<b>31.1</b>	<b>17.8</b>	<b>43.7</b>	<b>41.4</b>
Business long stay (subclass 457)	2.5	4.3	8.4	6.7	14.5	8.6	29.5	11.8	6.4
Visitor(b)	8.4	7.8	8.0	5.1	9.6	9.1	8.8	10.3	8.1
Working holiday	13.6	4.7	9.0	2.5	8.3	1.8	5.2	4.8	8.4
Other temporary visas	-6.1	-3.7	-3.1	-2.9	-4.2	-2.9	-5.8	-3.1	-4.3
<b>Permanent visas</b>	<b>37.1</b>	<b>32.6</b>	<b>23.2</b>	<b>45.0</b>	<b>35.2</b>	<b>43.1</b>	<b>41.0</b>	<b>36.7</b>	<b>33.5</b>
Family	18.4	13.0	9.4	9.2	10.1	14.4	19.4	13.1	13.2
Skill	12.9	15.2	10.9	29.5	20.4	14.5	14.5	19.0	15.4
Special eligibility & humanitarian	5.9	4.5	2.9	6.3	4.7	14.3	7.1	4.6	4.8
<b>New Zealand citizen</b>	<b>5.6</b>	<b>6.2</b>	<b>18.1</b>	<b>2.5</b>	<b>9.0</b>	<b>5.3</b>	<b>4.7</b>	<b>4.1</b>	<b>8.4</b>
<b>Australian citizen</b>	<b>-2.5</b>	<b>-0.1</b>	<b>1.8</b>	<b>3.9</b>	<b>0.2</b>	<b>4.7</b>	<b>6.3</b>	<b>-6.7</b>	<b>-0.1</b>
<b>Other (c)</b>	<b>-4.0</b>	<b>-2.5</b>	<b>-0.1</b>	<b>-2.2</b>	<b>2.2</b>	<b>-0.7</b>	<b>-7.5</b>	<b>-1.7</b>	<b>-1.8</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

(a) The visa category information in this table represents the number of visas based on the visa type at the time of a traveller's specific movement. It is this specific movement that has been used to calculate NOM. Therefore, the number of visas in this table should not be confused with information on the number of visas granted by DIAC.

(b) Visitor visas include tourist, business visitors, medical treatment and other.

(c) Includes residents returning (i.e. non Australian citizens who are permanent residents), onshore visas and visa unknown.

Source: ABS Traveller Characteristics Database, data available on request.

## Temporary Visas

In 2009, temporary visa holders made the largest contribution to NOM in Tasmania, with 48% of the total NOM figure for the year. This was lower than for Australia as a whole (60%) and for each of the other states and territories. The number of temporary visa holders arriving in Tasmania during 2009 was almost 1,800 persons, representing 44% of all arrivals, while the number departing was just over 860, or 40% of all departures. This resulted in just over 920 additional temporary visa holders in the Tasmanian population.

Temporary visas issued in Australia fall into several categories, the principal ones being International student; Business

long stay (457); Visitor and Working holiday visas.

**Fig 7 NOM by Temporary Visa Types(a), Tasmania, 2004-2009**



**Footnote(s):** (a)These estimates use the '12/16 month rule' methodology for calculating NOM.

**Source(s):** ABS Traveller Characteristics Database, data available on request.

### **International Students**

Over the five year period from 2004 to 2009, there was a 4% (-20 persons) decrease in the net number of international students contributing to NOM in Tasmania. The growth in student NOM between 2005 and 2008 is mainly attributed to the large disparity between NOM arrivals and NOM departures, which in part reflects the time lag effect of a student's course duration. The disparity could also reflect the number of students who changed their visa and residency status whilst onshore.

There was a sharp decline (-28%) in student NOM for Tasmania in 2009. Despite this, international students made up the largest group of temporary visa holders contributing to NOM in 2009, adding a net 600 persons to the state's population, or 31% of the total NOM figure. This was lower than the proportion recorded at the national level (41%) and in most other jurisdictions, except WA (25%) and the NT (18%).

Within this group, international students travelling to Tasmania on higher education visas formed the largest component, with a net 410 students representing 21% of total NOM in 2009. The vocational educational and training sector and all other student visas accounted for 5% of total NOM each (100 and 90 students respectively).

### **Business Long Stay Visas**

Between 2004 and 2009, the net number of temporary business visas (otherwise known as 457 visas) contributing to the Tasmanian population more than doubled (up 163%, or over 100 persons). This growth in business 457 visas most likely reflects Australia's relatively buoyant economy over recent years with low unemployment and recognised labour shortages in specific occupations.

Temporary business entrants can stay in Australia up to four years and can also apply for other visas during their stay. They may also obtain permanent residency under the Employer Nomination Scheme, the Regional Sponsored Migration Scheme, a Labour Agreement, or the Skilled Independent visa program. The sharp decline (-48%) in business 457 visa holders for Tasmania in 2009 may, in part, reflect the economic uncertainty faced by employers during the Global Financial Crisis.

Despite this, people entering with business long stay visas added 170 persons to the Tasmanian population in 2009, accounting for 9% of the total NOM figure for the year. This was higher than representation at the national level (6%) but below representation in the NT (29%), WA (14%) and the ACT (12%).

### **Visitor Visas**

The net number of long-term visitors (staying 12 months or more) contributing to the Tasmanian population also increased

over the five year period, with 30 (22%) more visitors in 2009 than in 2004. In 2009, this visa group contributed 180 persons to the Tasmanian population, representing 9% of total NOM for the year. This was consistent with representation at the national level (8%) and similar to representation in the other jurisdictions. Of this group, 81% were tourists, 10% were business visitors and the remaining 9% were visitors of other types.

### Working Holiday Visas

Working holiday makers are permitted to stay for a period of up to 12 months from the date of initial entry. However, many of these visa holders stay more than 12 months and therefore contribute to NOM estimates. This includes people who have undertaken seasonal work in regional Australia and become eligible to apply for a second working holiday visa, as well as those who have applied for, and been granted, a different visa whilst onshore.

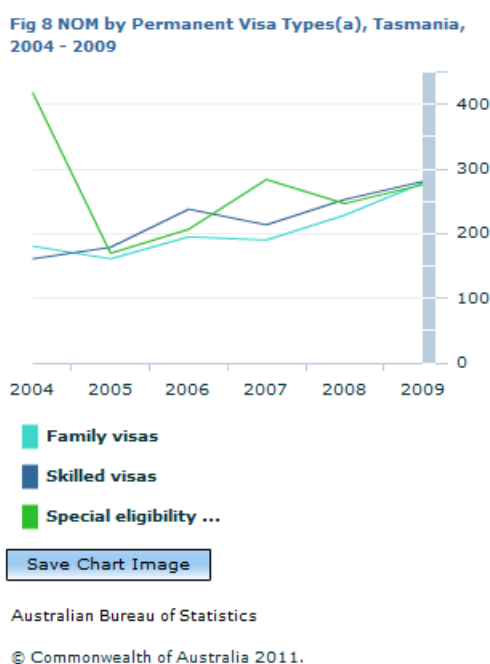
Between 2004 and 2009, the net number of working holiday-makers contributing to NOM in Tasmania remained relatively steady over the five years, increasing by just 3%. In 2009, this visa group added a net of 30 persons to the Tasmanian population, representing 2% of total NOM for the year. This was lower than representation at the national level (8%) and in each of the other states and territories.

### Permanent Visas

Permanent visa holders made a slightly smaller contribution to total NOM in Tasmania in 2009 than temporary visa holders (43% and 48% respectively). This was higher than representation at the national level (34%) and in each of the other states and territories, except SA (45%).

In 2009, the number of permanent visa holders arriving in Tasmania was over 860 persons, representing 21% of all arrivals, while the number departing was just under 30 persons, or 1% of all departures. This resulted in almost 840 permanent visa holders being added to the Tasmanian population.

Permanent visas are discussed below under three broad categories: Family visas; Skilled visas; and Special eligibility and humanitarian visas.



**Footnote(s):** (a) These estimates use the '12/16 month rule' methodology for calculating NOM.

**Source(s):** ABS Traveller Characteristics Database, data available on request.

### Family Visas

Over the five years from 2004 to 2009, there was a 54% (100 persons) increase in the net number of family visa holders (granted offshore) contributing to the Tasmanian population. In 2009, this visa group made a slightly smaller contribution (almost 280 persons or 14% of total NOM) to the state's population than permanent skilled visa holders. This proportion was similar to that for Australia as a whole (13%) and for most other states and territories, except the NT (19%) and NSW (18%).

### Skilled Visas

For the five years to 2009, there was a 75% (120) increase in the net number of permanent skilled visa holders (granted offshore) contributing to Tasmania's population, reflecting the policy focus on skilled migration to address the labour shortages associated with Australia's relatively strong economy.

People entering with permanent skilled visas made up the largest group of permanent visa holders contributing to NOM in Tasmania in 2009. The net gain from permanent skilled visa holders was just over 280 persons, or 15% of total NOM, for the year. While this was similar to the proportion of permanent skilled visas at the national level (15%), it was considerably below that in SA (29%), WA (20%) and the ACT (19%).

### ***Special Eligibility and Humanitarian Visas***

Special eligibility visas relate mainly to former citizens and residents requiring special visas to enter the country. This visa category contains very small numbers and has therefore been combined with the Humanitarian visa category, managed by the Australian Department of Immigration and Citizenship. The offshore resettlement component of the Humanitarian Program has two categories: refugees and a special humanitarian program.

Between 2004 and 2009, the net number of special eligibility and humanitarian visa holders (granted offshore) contributing to NOM in Tasmania decreased by 34% or 140 persons. Despite this, people entering with special eligibility and humanitarian visas made a net contribution of almost 280 persons to the state's population, or 14% of total NOM for the year. This was much higher than representation at the national level (5%) and in each of the other states and territories.

### **New Zealand Citizens**

In comparison with temporary and permanent visa entrants, New Zealand citizens made a relatively small contribution to total NOM for Tasmania in 2009 (5%). This was slightly lower than the national proportion (8%) but similar to that in most other states and territories except Queensland (18%). With nearly 240 New Zealand citizens arriving in Tasmania in 2009 (6% of all arrivals), and over 130 departing (6% of all departures), this group contributed just over 100 persons to the state's population.

### **Australian Citizens**

Among the major NOM groupings, Australian citizens traditionally make a negative contribution to NOM in each state and territory. In Tasmania, they made a small positive contribution (5%) in 2009, adding just over 90 people to the state's population. The number of Australian citizens returning to Tasmania in 2009 was over 1,000 persons, representing 25% of all arrivals, while the number departing was 950, or 44% of all departures. In comparison, the contribution of Australian citizens to national NOM was -0.1%, although most states and territories recorded positive contributions from Australian citizens and only NSW, Victoria and the ACT recorded negative contributions.

## **CONCLUSION**

While NOM has not been the main component of population growth in Tasmania, it has remained an important source of growth in the five years to 2010.

Underpinning much of the recent growth in NOM was a large increase in the number of international students arriving in Tasmania between 2005 and 2008. This suggests a growing engagement in the global economy and the state's increasing provision of education services to international students.

Growth in international students may also be attributed to the disparity between NOM arrivals and NOM departures, reflecting time lags in course duration, and the propensity for some students to change their visa and residency status whilst onshore. Despite this growth, the representation of international students in Tasmania's NOM figures was one of the lowest among the states and territories in 2009.

With skilled migration being a key focus of national immigration policy since the late 1990s, the net contribution of permanent skilled visa holders to Tasmania's population in 2009 was relatively high compared with other visa groups. Of these, permanent skilled visas ranked second highest (after international students) in Tasmania in terms of their contribution to NOM.

Following skilled visa holders, those with family or special eligibility and humanitarian visas comprised the third largest visa categories in 2009, accounting for 14% of the total NOM figure each. Of the jurisdictions, Tasmania had the highest representation of special eligibility and humanitarian visa holders in its NOM figures for 2009.

Significantly slowing the five year growth rate in total NOM, estimates for 2009 and 2010 show a sharp decline in net overseas migration to Tasmania. This was driven by a combination of a decrease in arrivals and an increase in departures for temporary visa holders and in particular international students.

Despite this decline, overseas migration has made an important contribution to Tasmania's population growth since 2005, with international students, permanent skilled visas, family visas and special eligibility and humanitarian visas making the largest net contributions to the size and structure of the state's total population.

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